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## CORONAVIRUS. .50 RATE CUT. WARMER WEATHER IN MIDWEST COULD LEAD TO EARLY PLANTINGS

Higher closes for corn, rough rice, soybeans, soybean meal, soybean oil, Minneapolis, Kansas City and Chicago wheat while lower for oats. .50 RATE CUT HELPED GRAINS ACROSS THE BOARD MOVE HIGHER EXCLUDING ROUGH RICE. CONCERNS OVER THE SPREADING OF THE CORONAVIRUS REMAIN IN THE SPOTLIGHT AFFECTING ECONOMIES AROUND THE WORLD. WEATHER FORECASTS REMAIN FAVORABLE IN SOUTH AMERICA (RAIN IN BRAZIL WHILE ARGENTINA LITTLE CHANGE) WHILE A WARMING TREND COMING TO THE MIDWEST COULD SIGNAL EARLY PLANTINGS. POSSIBLE RECORD US CORN AND BRAZILIAN BEAN CROPS. FOR THE YEAR WHEAT EXPORTS UP 11%, BEANS UP 14% AND CORN DOWN 45%. INFORMA RAISED WHEAT PROJECTIONS BASICALLY IN RUSSIA, ARGENTINA, AND INDIA. RUMORS THAT CHINA MIGHT BE IN THE MARKET FOR WHEAT, CORN AND SORGHUM HAS ALSO SURFACED. Minneapolis held its low from November 25th with its nearest resistance around 540 while needing a close above 570 to get excited. KC held support from December with its closest support around 465 while needing a close over five dollars (505). Chicago is now in a support area but looks the weakest of the wheat complex at this time while wanting to see a close over 580 to potentially have a nice rally. I find it difficult to add on any wheat positions in either direction at this time. Oats have 'fallen out of bed' since February 19th dropping nine out of its last ten trading sessions culminating in its worst low and close since last May. While rough rice has been in an uptrend lately it has been consolidating over the last couple of weeks and looking a little topy. However, it's still too soon to tell at this time. Corn continues to look very weak overall but did have REVERSAL TYPE ACTION on Monday with heavy resistance above 380. It did take out the low of its long trading range (373 1/2 -400) but has rallied back 19 cents so far. A potential record crop, farmers holding back, poor exports may prove too much for this grain to go far to the upside. The drop in interest rates should help especially if the dollar falls more. The beans also had REVERSAL TYPE ACTION on Monday having a nice rally in a really bearish looking market. I need to see a close over 910 to get interested in the upside. On the other hand, no reversal action for the meal but a huge rally from the February 24th's low has put in on the cusp of breaking out of a strong resistance area only to enter another one. Closing one tick over 310 could be significant. On Monday oil had its worst low since early August looking very weak with its nearest resistance around 3100. BUY SIGNAL FOR ROUGH RICE. SELL SIGNALS FOR MINNEAPOLIS, KANSAS CITY AND CHICAGO WHEAT ALONG WITH OATS, SOYBEANS, SOYBEAN MEAL AND SOYBEAN OIL. For additional charts, quotes, news, commentary & more, sign up for markethead.com.

MWK20 - Spring Wheat - Daily Candlestick Chart



KEK20 - Hard Red Wheat - Daily Candlestick Chart



ZWK20 - Wheat - Daily Candlestick Chart



ZOK20 - Oats - Daily Candlestick Chart



ZRK20 - Rough Rice - Daily Candlestick Chart



ZCK20 - Corn - Daily Candlestick Chart



ZSK20 - Soybean - Daily Candlestick Chart



ZMK20 - Soybean Meal - Daily Candlestick Chart



ZLK20 - Soybean Oil - Daily Candlestick Chart



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